

# Exhibit B

## El Toro Stakeholder Outreach Addenda

### Chapman University College

**Interview Date: November 13, 2007**

***Participants: Gary Brahm, Chancellor, University College  
Fred Smoller, Chair of Political Science Department***

#### **Background**

In October 2007, Gensler submitted a final report outlining the findings of a stakeholder outreach effort designed to elicit ideas on how the County's 100-acre parcel at the former El Toro Marine Base should be utilized. Subsequently, Chapman University also expressed interest in a portion of the property. The following outlines a conference call that was held to follow-up on Chapman's letter dated November 6, 2007 (attached).

#### **Proposal and Site Requirements**

Chapman University would like to obtain approximately 10 acres of the County Parcel to build a headquarters for their University College, the adult education division of the university. Their program is to initially develop an 80,000 SF headquarters building that would contain administrative offices, a conference center, and some classrooms. A second phase building would be primarily comprised of classrooms. The university also foresees a single-story daycare center with enough capacity to serve up to 200 children.

Brahm and Smoller noted that there was no magic in 10-acre requirement. Their focus is on program needs. They have no objection to a multi-story configuration.

#### **Trip Generation and Joint Parking Feasibility**

Most of Chapman's classes are scheduled during evening hours. They suggested that joint-use parking arrangement could be made with daytime users to avoid excessive parking and traffic.

#### **Benefits to the County**

Chapman has a long history of providing educational programs to the County. In line with that tradition, the University College could provide discounted education to County employees. The University is also amenable to contour the curriculum to the needs of the County. For example, if the County wanted to be affiliated with a Public Policy Department, the University could set up a Chair and finance a program to deliver education to current and future County employees. Daycare services, partly operated by University students and interns, would be made available to County employees.

#### **Transaction Concept**

While University College currently leases its 26 locations (located in California and Washington), they would like to own their headquarters and are willing to enter a long-term land lease or purchase with the County. Chapman is fully prepared to pay full market value but is also eligible for public bond financing. As an educational institution, they are also exempt from property taxes.

#### **Timing**

Chapman is actively pursuing sites. Brahm mentioned that the University would be able to-break ground in about 2 years.

#### **Other Site Benefits**

The University wants be near mass transit and would like to take full advantage of the proximity of the Metrolink station. The main Chapman campus in Orange is a few Metrolink stops away from El Toro.

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### CHAPMAN UNIVERSITY COLLEGE

OFFICE OF THE CHANCELLOR

November 6, 2007

Chris Jerde  
Gensler  
2500 Broadway, Suite 300  
Santa Monica, CA 90404

Dear Mr. Jerde:

Chapman University currently conducts its educational programs through two distinct divisions: its traditional undergraduate and graduate campus located in Orange, California, and its "University College" operations consisting of 26 adult education learning centers that are located in California and Washington. The growth plans, educational philosophies and accreditation requirements of these two divisions do not always align with each other, and the Board of Trustees of Chapman University has determined that it is in the best interests of both Chapman University and University College to reorganize adult education as an entity that is separately managed, can pursue growth strategies that have not historically been pursued, and can obtain separate accreditation that is appropriate for its mission. The University's regional accrediting agency, the Western Association of Schools and Colleges (WASC) has reviewed the reorganization and has approved the separate accreditation.

The reorganized University College will be governed by a "Board of Regents", which will be selected by the Board of Trustees of Chapman University. Under the University College bylaws, a minimum of 60% of the members of the University College Board of Regents must also be Trustees of Chapman University.

University College is currently evaluating potential new home campus locations. The county site at El Toro is an ideal location and we would like you to include us in the County's master plan. The following factors indicate why University College should be included in the County's master plan of El Toro

- Academic Programs: University College currently has a relationship with the County. County employees are currently granted a 10% scholarship. A closer relationship with the County would result in increasing the scholarship percentage. In addition, a program could be established that would give the County scholarship dollars it could award.

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- **Extended Education:** University College currently has a variety of management and leadership education certificate programs. These programs, along with new programs, which could be jointly developed, could provide for the ongoing training of county staff. Programs would be discounted to provide the County affordable staff development.
- **New Degree and Non-degree Programs:** The University's School of Law is currently considering a program in public administration. It would include a certificate program in public administration. This is one example of the ongoing development of programs that will be available.
- **Conferencing Center:** The new home campus of University College will include offices for the chancellor, vice chancellors, deans and staff. In addition, there will be state-of-the art classrooms and conferencing facilities. University College's use of these facilities will be primarily in the evening. It is contemplated that an agreement will allow the County to jointly use the conference facility.
- **Day Care Center:** University College will build a day care center for the children of employees. This could also be operated in affiliation with the County with county and university employees paying the same rate. University College would also include other organizations designated by the County as affiliates. In addition, the very close proximity to the train station would facilitate train commuters dropping their children on the way to the train. This would reduce trips used to drop children at day care and increase train use. An affiliation agreement could be established with the OCTA to encourage such use.

We believe that these uses could be accommodated on a 10-acre parcel in close proximity to the train station. We have already identified a number of compelling reasons for including University College of Chapman University in the County's master plan. I am sure that, as plans progress, other compelling ideas will develop.

Thank you for your consideration of this matter.

Sincerely,



Gary Brahm  
Chancellor  
University College